

Mineral Industry Surveys

For information, contact:

James F. Carlin, Jr., Tin Commodity Specialist
U.S. Geological Survey
989 National Center
Reston, VA 20192
Telephone: (703) 648-4985, Fax: (703) 648-7757
E-mail: jcarlin@usgs.gov

Elsie D. Isaac (Data)
Telephone: (703) 648-7950
Fax: (703) 648-7975
E-mail: eisaac@usgs.gov

Internet: <http://minerals.usgs.gov/minerals>

TIN IN APRIL 2006

Domestic consumption of primary tin in April was estimated by the U.S. Geological Survey to be about the same as that of March and about 10% lower than that of April 2005. Estimated domestic consumption of primary tin in the first 4 months of 2006 was about 8% below that of the comparable period of 2005.

The Platts Metals Week average composite price for tin in April was \$5.70 per pound, about 10% higher than that of March and about 8% higher than that of April 2005.

The Steel Recycling Institute (SRI) announced that the domestic steel can recycling rate increased to 63% in 2005 from 62% in 2004 and was equal to the global steel can recycling rate. Domestically, nearly 1.4 million metric tons of steel cans were recycled into various steel products in 2005. Most steel cans are made from tinplate (Steel Recycling Institute, 2006).

In a recent report, Barclays Bank Plc predicted that the London Metal Exchange cash tin price, which averaged \$6,700 per metric ton in 2005, will average \$8,500 per metric ton in 2006 and \$9,000 per metric ton in 2007, with a drop in 2008 to \$8,300 per metric ton. Barclays attributes the predicted price rise to strong demand, reduced Indonesian production, and a 20% inventory decline. In the short term, the longer-than-expected monsoon season in Indonesia has reduced tin production. Owing to a lack of feedstock, Singapore Tin Industries' refinery was expected to reduce its 36,000 metric tons per year (t/yr) of tin output by about 50% in 2006. Barclays expected world tin demand to increase partly owing to a tinplate capacity increase, expected in 2006, at the Yichang plant of Shanghai Baosteel Group Corp. Ltd. (Shanghai, China) to 155,000 t/yr (Platts Metals Week, 2006).

At Metal Events Ltd.'s International Tin Conference in Rio de Janeiro, Brazil, May 16-19, two speakers focused on critical elements of the world tin supply/demand situation:

- The President of state-controlled tin producer PT Timah TKG (Jakarta, Indonesia) proposed a plan to bring greater control of the 25 or more independent smelting operations which have sprung up since 2003. The speaker urged that there should be proper registration of smelters with mining concessions and uniform application of a 3% royalty to all

producers. In return for this proper registration, PT Timah could perform re-refining of independent smelters' tin, giving them access to the London Metal Exchange Ltd. through registered Bangka and Mentok brands. PT Timah estimated that Indonesian refined tin production in 2006 would be 110,000 to 120,000 metric tons (t), with private smelters accounting for 50,000 to 60,000 t of this total (CRU Week in the News, 2006¹).

- The President of the Parapanema Group (São Paulo, Brazil), the leading tin producer in Brazil, offered that Brazilian mine production of tin, which fell to 11,000 t in 2005, could recover to more than 20,000 t/yr over the next few years. Tin production of Parapanema's Mineracao Taboca subsidiary could rise from 5,700 t in 2005 to 10,500 t in 2007 and perhaps reach 14,000 t/yr in a second phase expansion. The Santa Barbara tin mines acquired by major Brazilian tin producer Companhia Siderurgica Nacional (CSN) in 2005 were expected to have expanded output from a current level of 720 t/yr to 3,600 t/yr to meet CSN's tinplate requirement (CRU Week in the News, 2006[§]).

Update

On June 2, 2006, the Platts Metals Week composite price for tin was \$5.30 per pound.

References Cited

Platts Metals Week, 2006, Tin to average \$9,000 in 2007—Barclays: Platts Metals Week, v.77, no. 23, June 5, p. 13.
Steel Recycling Institute, 2006, Steel can recycling achieves world average in 2005: Pittsburgh, PA, Steel Recycling Institute press release, June 1, 2006.

Internet Reference Cited

CRU Week in the News, 2006 (May 25), TIN, accessed May 25, 2006, via URL <http://www.crumonitor.com>.

¹A reference that includes a section mark (§) is found in the Internet Reference Cited section.

TABLE 1
SALIENT TIN STATISTICS¹

(Metric tons, unless otherwise noted)

	2005	2006		
	January- December ^p	March	April	January- April
Production, secondary ^{e,2}	10,800	900	900	3,600
Consumption:				
Primary	35,900	2,820 ^r	2,810	11,800
Secondary	10,800	688 ^r	689	2,760
Imports for consumption, metal	37,500	3,030	NA	NA
Exports, metal	4,330	375	NA	NA
Stocks at end of period	5,400	5,350 ^r	5,430	XX
Prices (average cents per pound): ³				
Metals Week composite ⁴	443.03	517.91	569.88	XX
Metals Week New York dealer	329.69	383.55	420.43	XX
London, standard grade, cash	304.00	359.00 ^r	401.00	XX
Kuala Lumpur	301.83	361.08	400.93	XX

^eEstimated. ^pPreliminary. ^rRevised. NA Not available. XX Not applicable.

¹Data are rounded to no more than three significant digits, except prices.

²Includes tin recovered from alloys and tinplate. The detinning of tinplate (coated steel) yields only a small part of the total.

³Source: Platts Metals Week.

⁴The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

TABLE 2
METALS WEEK COMPOSITE PRICE¹

(Cents per pound)

Period	High	Low	Average
2005, December	457.37	418.38	443.03
2006:			
January	521.70	492.15	503.78
February	517.39	499.65	507.70
March	533.89	508.89	517.91
April	605.47	508.89	569.88

¹The Metals Week composite price is a calculated formula, not a market price, that includes fixed and finance charges and a risk factor. It is normally substantially higher than other tin prices.

Source: Platts Metals Week.

TABLE 3
TINPLATE PRODUCTION AND SHIPMENTS IN THE UNITED STATES¹

(Metric tons, unless otherwise noted)

Period	Tinplate waste (waste, strips, cobble, etc.) (gross weight)	Tinplate (all forms)			Shipments ²
		Gross weight	Tin content	Tin per metric ton of plate (kilograms)	
2005 ^p	W	2,270,000	7,670	3.4	1,860,000
2006:					
January	4,890 ^r	183,000 ^r	584 ^r	3.2	166,000
February	4,640	174,000	591	3.4	138,000
March	4,870	185,000	626	3.4	144,000
April	4,640	171,000	620	3.6	NA

^pPreliminary. ^rRevised. NA Not available. W Withheld to avoid disclosing company proprietary data.

¹Data are rounded to no more than three significant digits.

²Source: American Iron and Steel Institute monthly publication.

TABLE 4
U.S. TIN IMPORTS FOR CONSUMPTION AND EXPORTS¹

(Metric tons)

Country or product	2005	2006		
		February	March	January- March
Imports:				
Metal (unwrought tin):				
Bolivia	5,400	801	166	2,010
Brazil	2,150	51	100	251
Chile	20	--	--	--
China	4,510	217	354	827
Indonesia	5,220	413	445	2,260
Malaysia	1,530	50	119	169
Peru	18,300	500	1,580	3,640
Thailand	45	25	--	25
United Kingdom	67	5	19	24
Other	264	22	255	277
Total	37,500	2,080	3,030	9,480
Other (gross weight):				
Alloys	7,460	1,090	867	2,930
Bars and rods	1,030	86	171	348
Foil, tubes, pipes	8	(2)	(2)	(2)
Plates, sheets, strip	324	11	32	68
Waste and scrap	3,530	154	136	847
Miscellaneous	3,310	250	218	626
Total	15,700	1,590	1,420	4,820
Exports (metal)	4,330	428	375	1,220

-- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Less than 1/2 unit.

Source: U.S. Census Bureau.

TABLE 5
CONSUMPTION OF TIN IN THE UNITED STATES, BY FINISHED PRODUCT¹

(Metric tons of contained tin)

Product	2005			2006				January- April
	January December ^p	March			April			
		Primary	Secondary	Total	Primary	Secondary	Total	
Alloys (miscellaneous) ²	1,240	138	--	138	149	--	149	529
Babbitt	276	17	W	17	35	W	35	90
Bar tin and anodes	275	26	W	26	26	W	26	103
Bronze and brass	3,700	92 ^r	129 ^r	221 ^r	93	131	224	1,060
Chemicals	8,680	616 ^r	W	616 ^r	616	W	616	2,740
Collapsible tubes and foil	W	W	W	W	W	W	W	W
Solder	12,200	623	250	873	605	250	855	3,650
Tinning	740	42	--	42	37	--	37	186
Tinplate ³	7,670	626	--	626	620	--	620	2,410
Tin powder	W	W	--	W	W	--	W	W
White metal ⁴	W	W	--	W	W	--	W	W
Other	1,070	42	9	51	30	8	38	220
Total reported	35,900	2,220 ^r	388 ^r	2,610 ^r	2,210	389	2,600	11,000
Estimated undistributed consumption ⁵	10,800	600	300	900	600	300	900	3,600
Grand total	46,700	2,820 ^r	688 ^r	3,510 ^r	2,810	689	3,500	14,600

^pPreliminary. ^rRevised. W Withheld to avoid disclosing company proprietary data; included with "Other." -- Zero.

¹Data are rounded to no more than three significant digits; may not add to totals shown.

²Includes terne metal.

³Includes secondary pig tin and tin components of tinplating chemical solutions.

⁴Includes pewter, britannia metal, and jewelers' metal.

⁵Estimated consumption of plants reporting on an annual basis.